

**Impact Analysis – Proposed Rule Change
October 12, 2012**

Agency:	DHHS/Division of Child Development & Early Education
Contact:	Jani Kozlowski (919) 890-7049/Dedra Alston (919) 890-7060
Rule Title:	Child Care Requirements/Developmental Day Services
State Impact:	No
Local Impact:	No
Substantial Economic Impact:	No
Small Business Impact:	Yes
Private:	Yes

The NC Child Care Commission and the Division of Child Development and Early Education proposes to amend rule 10A NCAC 09 .2903 as the result of a rule-making petition submitted by Ms. Diane Killen and Ms. Jan Guynn. Ms. Killen and Ms. Guynn proposed that the amendment will serve children in developmental day programs in a way that is more cost effective and attainable for the service provider.

The North Carolina Child Care Commission proposes to amend the following rule in 10A NCAC 09:

Amend

.2903 – Staff Qualifications (see proposed rule text in Appendix)

Summary of Proposed Regulations

Statutory Authority for rule change: G.S. 110-85; 110-88(14);

Background

Description

The NC Child Care Commission is proposing to amend this rule in direct response to the rule-making petition.

Purpose

The purpose of this rule is to reduce the costs incurred by developmental day centers that maintain a higher ratio of typically developing children. The rule change would reduce the expenses of centers related to Birth-through-Kindergarten (B-K) certified staff.

The Department of Public Instruction (DPI) requires that all children with an Individualized Education Program (IEP) be served by a teacher with a B-K certification once the school year starts following their third birthday. The way the current .2903 rule is written, however, has led to children with no IEP to also be moved to classrooms with B-K certified teachers or for B-K teachers to be added to the classroom, although this is not required by DPI. This creates a financial hardship for the developmental day centers, especially small centers, in terms of having an adequate number of slots and certified staff.

Children turning three after the beginning of the school year who do not have an Individualized Education Program (IEP) could be equally well served by staying in a two-year olds' classroom until the end of the school year. There may even be a benefit from less disruption in the service these children receive. The proposed rule change would relax the requirement for children three-years or older to be served by a B-K teacher by limiting its application only to children with an IEP. Children without an IEP would have to have turned three before the start of the school year for the requirement to be served by a B-K teacher to apply.

Fiscal Impact

There is no anticipated fiscal impact to local or state agencies since none of the affected centers are run by state or local governments. However, there may be a limited positive fiscal impact for private businesses that operated developmental day centers, especially to smaller ones. There are currently 99 centers that are certified by the Division and that could incur some savings related to staff compensation as a result of this rule change.

As an indirect impact of the rule change, a number of B-K teachers may lose their jobs and fewer B-K teachers may be hired as there could be an overall lower demand for such qualifications. According to staff in the DPI Exceptional Children Division, a bachelor's level EC Teacher with 1-4 years of experience has an annual salary of about \$30,800 and a Master's Level EC teacher with 1-4 years of experience has \$33,800. Note that the teacher-children ratio would not change so the amount of staff in centers would not change because of the proposed amendment, but centers may choose to hire teachers with lower qualifications.

The Division does not anticipate that the overall impact from this rule change would results in a substantial economic impact of \$500,000 or more over a 12-month period.

APPENDIX

10A NCAC 09 .2903 STAFF QUALIFICATIONS

- (a) Each center serving children ages birth to three years shall have a minimum of one staff who holds a Infant Toddler Family Specialist certification issued from the North Carolina Division of Public Health, or Birth-through-Kindergarten (B-K) Standard Professional I licensure or provisional licensure in B-K issued from the Department of Public Instruction. This staff shall provide program oversight and supervision for any caregivers in classrooms with children ages birth to three years.
- (b) During the 10 month school year (as defined by the State Board of Education), each ~~group of preschool children~~ child (as defined by the State Board of Education) aged three and older who is identified as having special needs as evidenced by an IEP (excluding children identified as speech/language impaired only) shall have at least one lead teacher who holds Birth-through-Kindergarten (B-K) Standard Professional I licensure or provisional licensure in B-K, or Preschool Add-on licensure issued from the Department of Public Instruction. Children who do not have an IEP but are three years old on or before August 31 shall be served by a B-K certified teacher. During the time when school is not in session, each group of preschool children shall have at least one lead teacher with a minimum of an A.A.S. degree in early childhood education or child development or an A.A.S. degree in any major with 12 semester hours in early childhood education or child development.
- (c) During the 10 month school year, (as defined by the State Board of Education), each group of school-age children shall have at least one teacher who holds State certification as a Special Education Teacher. During the time when school is not in session, each group of school-age children shall have at least one teacher who has completed at least two semester hours of school-age care related coursework and has completed or is enrolled in at least two additional semester hours of school-age related coursework.
- (d) Center administrators shall have a Level III North Carolina Early Childhood Administration Credential and two years of verifiable work experience with children with developmental delays or disabilities.

History Note: Authority G.S. 110-85; 110-88(14);

Eff. July 1, ~~2010~~ 2010;

Amended Eff. 2012.